

**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	
)	Chapter 11
PURDUE PHARMA L.P., et. al¹)	
)	Case No. 19-23649 (SHL)
Debtors.)	
_____)	(Jointly Administered)

**COVER SHEETS FOR NINTH INTERIM FEE APPLICATION OF
ERNST & YOUNG LLP FOR COMPENSATION AND REIMBURSEMENT OF
EXPENSES INCURRED AS AUDITORS AND PROVIDERS OF OTHER
PROFESSIONAL SERVICES FOR THE DEBTORS FOR THE
PERIOD FROM SEPTEMBER 1, 2022 THROUGH DECEMBER 31, 2022**

Name of Applicant:	Ernst & Young LLP (“EY LLP”) Auditors to the Debtors and Debtors in Possession
Authorized to Provide Services to:	Purdue Pharma L.P., <i>et al.</i>
Petition Date:	September 15, 2019
Retention Date:	December 23, 2019 <i>nunc pro tunc</i> to September 15, 2019
Date of Order Approving Retention:	December 23, 2019 [ECF No. 698]
Time Period Covered by This Application:	September 1, 2022 through December 31, 2022
Total Compensation Requested:	\$325,000.00

¹ The Debtors in these cases, along with the last four digits of each Debtor’s registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF LP (0495), SVC Pharma LP (5717) and SVC Pharma Inc. (4014). The Debtors’ corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

Total Expenses Requested: \$-0-

Total Compensation and Expenses Requested: \$325,000.00

Number of Professionals Included in This Application: 17

Number of Professionals Billing Fewer Than 15 Hours During This Period: 15

This is a(n): ___monthly Xinterim ___final application

SUMMARY BY PROFESSIONAL

2022 Consolidated Audit

Last Name	First Name	Rank	Time
Arora	Simran	Staff/Assistant	9.0
Caporale	Amelia	Partner/Principal	3.0
Casella	John M.	Staff/Assistant	3.0
D'Alessandro	Nicholas A	Manager	11.0
Fan	Wenhan	Senior	5.2
Fox	Nicholas K.	Manager	4.0
Furtado	Justin V	Senior Manager	6.0
Gupta	Aarti	Staff/Assistant	12.0
Jain	Chetan	Manager	10.0
Kaushik	Utkarsh	Staff/Assistant	9.0
Nayyar	Deepankar	Senior	22.0
Pereira	Christopher A.	Partner/Principal	3.0
Rathod	Dimple	Senior	38.5
Robinson	Benjamin Ryan	Staff/Assistant	9.0
Sharma	Bhavik	Staff/Assistant	4.0
Sonika	Avinash	Executive Director	4.0
Tran	Hong	Staff/Assistant	1.3
		Total	154.0

Total Fixed Fees Sought for 2022 Consolidated Audit During the Fee Period: \$325,000.00.

SUMMARY BY PROJECT CATEGORY

2022 Consolidated Audit

Time Category	Category Descriptions	Hours
Planning Activities	This category relates to all audit planning activities.	40.5
Year-End Substantive Testing	This category includes activities associated with Year-End audit procedures	113.5
	Total	154.0

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Debtors.)	
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**NINTH INTERIM FEE APPLICATION OF ERNST & YOUNG LLP
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES
INCURRED AS AUDITORS AND PROVIDERS OF OTHER
PROFESSIONAL SERVICES FOR THE DEBTORS FOR THE
PERIOD FROM SEPTEMBER 1, 2022 THROUGH DECEMBER 31, 2022**

Pursuant to Sections 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and this Court’s November 21, 2019 order approving procedures for professional compensation requests in these cases, Ernst & Young LLP (“EY LLP”) hereby files this Interim Application for compensation as a retained professional to the above-captioned Debtors (this “Application”). By this Application, EY LLP respectfully requests allowance and payment of \$325,000.00 as compensation, with respect to services it provided to the Debtors during the period from September 1, 2022 through December 31, 2022 (the “Fee Period”).

² The Debtors in these cases, along with the last four digits of each Debtor’s registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF LP (0495), SVC Pharma LP (5717) and SVC Pharma Inc. (4014). The Debtors’ corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

Background

1. On September 15, 2019 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”).

2. The Debtors’ retention of EY LLP was approved by this Court’s Order entered on December 23, 2019, *nunc pro tunc* to September 15, 2019.

3. EY LLP is authorized to be compensated under the terms set forth in the engagement letters between the Debtors and EY LLP, and to be reimbursed for actual and necessary out-of-pocket expenses.

Compensation Paid and Its Source

4. All services for which EY LLP requests compensation were performed for or on behalf of the Debtors. EY LLP has received no payment and no promises for payment from any source other than the Debtors for services rendered or to be rendered in any capacity in connection with the matters covered by this Application.

Supporting Detail

5. The supporting detail for this Application is attached hereto as **Exhibit A**. Exhibit A contains the daily time information for each EY LLP professional performing services during the period from September 1, 2022 through December 31, 2022.

Applicable Law

6. Section 330(a)(1) of the Bankruptcy Code provides, in relevant part, as follows:

(a) (1) After notice to the parties in interest and the United States Trustee and a hearing, and subject to sections 326, 328, and 329, the court may award to a ... professional person employed under section 327 or 1103 –

(A) reasonable compensation for actual, necessary services rendered by the trustee, examiner, ombudsman, professional person, or attorney and by any paraprofessional person employed by any such person; and

(B) reimbursement for actual, necessary expenses.

7. Section 330 of the Bankruptcy Code prescribes the general standards for determining the reasonableness of the amount of compensation sought by a professional. *See 3 Collier on Bankruptcy* ¶ 331.03 at 331-12. Congress enacted section 330 of the Bankruptcy Code to liberalize the practice of granting the allowance of compensation to professionals in bankruptcy cases in order to ensure that professionals be reasonably compensated and that future professionals not be deterred from taking bankruptcy cases due to a failure to pay adequate compensation. *See In re Ames Dep't Stores, Inc.*, 76 F.3d 66, 72 (2d Cir. 1996) (quoting *In re UNR Indus., Inc.*, 986 F.2d 207, 208-09 (7th Cir. 1993)).

8. Section 330(a) of the Bankruptcy Code provides for the compensation of reasonable and necessary services rendered by professionals based on the time, the nature, the extent and the value of such services, and the cost of comparable services other than in a case under the Bankruptcy Code. *See* 11 U.S.C. § 330. The test for determining necessity is objective; focusing on what services a reasonable professional would have performed under the same circumstances. *See, e.g., In re Angelika Films 57th, Inc.*, 227 B.R. 29, 42 (Bankr. S.D.N.Y. 1998). This test does not rely on hindsight to determine the ultimate success or failure of the professional's actions. *See id.; In re Keene Corp.*, 205 B.R. 690, 696 (Bankr. S.D.N.Y. 1997). Ultimately, if the services of a professional are reasonably likely to benefit the debtor's estate, they should be compensable. *See Angelika Films*, 227 B.R. at 42.

9. EY LLP respectfully submits that the compensation sought in this Application is necessary and reasonable. The services that EY LLP rendered to the Debtors during the Fee

Period required a high degree of professional competence. EY LLP performed efficiently, effectively and economically, and the results obtained have benefited the Debtors, their estates and creditors.

WHEREFORE, EY LLP hereby respectfully requests allowance and payment of \$325,000.00, with respect to services it provided to the Debtors during the Fee Period. EY LLP also respectfully requests that it be granted such other and further relief as the Court may deem just and proper.

Dated: February 9, 2023

/s/Amelia M. Caporale

Amelia M. Caporale
Partner, Ernst & Young LLP
20 Church Street
Hartford, CT 06103

VERIFICATION

I hereby certify that:

1. I am a partner with the firm of Ernst & Young LLP (“EY LLP”). This certification is made pursuant to the *Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York* (the “Amended Guidelines”), in support of the foregoing fee application of EY LLP (the “Application”).

2. I hereby certify as follows: (a) I have read the Application; (b) to the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought in the Application fall within the Amended Guidelines, except as specifically noted herein or in the Application; (c) except to the extent that fees or disbursements are prohibited by the Amended Guidelines, the fees and disbursements sought are billed at rates and in accordance with practices customarily employed by EY LLP and generally accepted by EY LLP’s clients; and (d) in providing a service for which EY LLP seeks reimbursement of expenses, EY LLP does not make a profit on the service, whether the service is performed by EY LLP in-house or through a third party.

Dated: February 9, 2023

/s/Amelia M. Caporale
Amelia M. Caporale
Partner, Ernst & Young LLP
20 Church Street
Hartford, CT 06103

EXHIBIT A
SUMMARY DETAIL OF HOURS INCURRED BY PROFESSIONAL

2022 Consolidated Audit

Employee Name	Title	Date of Service	Project Category	Hours Charged	Description
Dimple Rathod	Senior	01 Dec 2022	Year-End Substantive Testing	9.5	Performance of Gross revenue testing procedures
Sonika,Avinash	Executive Director	01 Dec 2022	Planning Activities	1.0	Review of audit planning presentation for December audit committee meeting
Utkarsh Kaushik	Staff/Assistant	01 Dec 2022	Year-End Substantive Testing	9.0	Performance of Vendor chargeback testing procedures
Dimple Rathod	Senior	02 Dec 2022	Year-End Substantive Testing	7.0	Performance of Gross revenue testing procedures continued
Tran,Hong	Staff/Assistant	02 Dec 2022	Year-End Substantive Testing	0.3	Review of actuarial scoping and testing plan
Chetan Jain	Manager	05 Dec 2022	Planning Activities	2.0	Review of account level scoping and process flow mappings
Dimple Rathod	Senior	05 Dec 2022	Year-End Substantive Testing	9.0	Performance of Gross revenue testing procedures for Rhodes Pharma
Chetan Jain	Manager	06 Dec 2022	Planning Activities	2.0	Review of account level scoping and process flow mappings continued
D'Alessandro,Nicholas A	Manager	06 Dec 2022	Planning Activities	1.0	Review of audit planning documents
Dimple Rathod	Senior	06 Dec 2022	Year-End Substantive Testing	9.5	Performance of Gross revenue testing procedures for Rhodes Pharma continued.
Chetan Jain	Manager	07 Dec 2022	Planning Activities	2.0	Review of account level scoping and process flow mappings continued
D'Alessandro,Nicholas A	Manager	07 Dec 2022	Planning Activities	1.0	Review of audit planning documents continued.
Dimple Rathod	Senior	07 Dec 2022	Year-End Substantive Testing	3.5	Performance of Gross revenue testing procedures for Rhodes Pharma continued.
Sonika,Avinash	Executive Director	07 Dec 2022	Planning Activities	3.0	Audit Committee Meeting
Chetan Jain	Manager	08 Dec 2022	Planning Activities	4.0	Review of account level scoping and process flow mappings continued
D'Alessandro,Nicholas A	Manager	08 Dec 2022	Planning Activities	1.0	Review of audit planning documents continued.
Robinson,Benjamin Ryan	Staff/Assistant	08 Dec 2022	Year-End Substantive Testing	8.0	Performance of inventory count procedures at Wilson North Carolina plant
Fox,Nicholas K.	Manager	09 Dec 2022	Year-End	4.0	Review of actuarial scoping and

Employee Name	Title	Date of Service	Project Category	Hours Charged	Description
			Substantive Testing		testing plan
Robinson,Benjamin Ryan	Staff/Assistant	09 Dec 2022	Year-End Substantive Testing	1.0	Documentation of inventory count testing workpapers
Fan,Wenhan	Senior	11 Dec 2022	Planning Activities	0.5	Preparation for team planning meeting
Fan,Wenhan	Senior	11 Dec 2022	Year-End Substantive Testing	0.2	Review of revenue cash anchor testing selection samples
D'Alessandro,Nicholas A	Manager	12 Dec 2022	Planning Activities	2.0	Review of audit planning documents continued.
D'Alessandro,Nicholas A	Manager	13 Dec 2022	Planning Activities	1.0	Review of audit planning documents continued.
Fan,Wenhan	Senior	13 Dec 2022	Year-End Substantive Testing	1.5	Review of accounts receivable testing selections to date
D'Alessandro,Nicholas A	Manager	14 Dec 2022	Planning Activities	1.0	Review of audit planning documents continued.
Fan,Wenhan	Senior	15 Dec 2022	Planning Activities	3.0	Purdue audit planning meeting; Present: C. Pereira, A. Caporale, J. Furtado, N. D'Alessandro, J. Casella
Tran,Hong	Staff/Assistant	14 Dec 2022	Year-End Substantive Testing	1.0	Review of actuarial scoping and testing plan
Aarti Gupta	Staff/Assistant	15 Dec 2022	Year-End Substantive Testing	2.0	Documentation of accounts receivable confirmations
Bhavik Sharma	Staff/Assistant	15 Dec 2022	Year-End Substantive Testing	4.0	Establishment of actuarial audit procedure workplan
Casella,John M.	Staff/Assistant	15 Dec 2022	Planning Activities	3.0	Purdue audit planning meeting; Present: C. Pereira, A. Caporale, J. Furtado, N. D'Alessandro, W. Fan
D'Alessandro,Nicholas A	Manager	15 Dec 2022	Planning Activities	3.0	Purdue audit planning meeting; Present: C. Pereira, A. Caporale, J. Furtado, W. Fan, J. Casella
Deepankar Nayyar	Senior	15 Dec 2022	Year-End Substantive Testing	9.0	Review of accounts receivable testing selections
Furtado,Justin V	Senior Manager	15 Dec 2022	Planning Activities	3.0	Purdue audit planning meeting; Present: C. Pereira, A. Caporale, N. D'Alessandro, W. Fan, J. Casella
Caporale, Amelia	Partner/Principal	15 Dec 2022	Planning Activities	3.0	Purdue audit planning meeting; Present: C. Pereira, J. Furtado, N. D'Alessandro, W. Fan, J. Casella
Pereira, Christopher A.	Partner/Principal	15 Dec 2022	Planning Activities	3.0	Purdue audit planning meeting; Present: A. Caporale, J. Furtado, N. D'Alessandro, W. Fan, J. Casella
D'Alessandro,Nicholas A	Manager	16 Dec 2022	Planning	1.0	Review of audit planning

Employee Name	Title	Date of Service	Project Category	Hours Charged	Description
			Activities		documents continued.
Deepankar Nayyar	Senior	16 Dec 2022	Year-End Substantive Testing	5.0	Review of revenue cash anchor testing procedures
Simran Arora	Staff/Assistant	16 Dec 2022	Year-End Substantive Testing	9.0	Performance of revenue cash anchor testing procedures
Aarti Gupta	Staff/Assistant	19 Dec 2022	Year-End Substantive Testing	7.0	Performance of accounts receivable existence testing
Deepankar Nayyar	Senior	19 Dec 2022	Year-End Substantive Testing	5.0	Re-performance of accounts receivable existence testing procedures
Furtado,Justin V	Senior Manager	19 Dec 2022	Year-End Substantive Testing	2.5	Review of planning documents
Aarti Gupta	Staff/Assistant	20 Dec 2022	Year-End Substantive Testing	3.0	Performance of accounts receivable existence testing continued.
Deepankar Nayyar	Senior	20 Dec 2022	Year-End Substantive Testing	3.0	Re-performance of accounts receivable existence testing procedures continued
Furtado,Justin V	Senior Manager	20 Dec 2022	Year-End Substantive Testing	0.5	Review of planning documents continued.
			Total	154.0	

Total Fixed Fees Sought for 2022 Consolidated Audit During the Fee Period: \$325,000.00